



## Management Approach: Procurement

Stantec recognizes that our purchasing decisions can influence positive industry change. We leverage our supply chain decisions to promote sustainable business practices and to support local businesses around the world.

Stantec's procurement spending supports office, laboratory, and field activities. Our supply chain includes real estate suppliers for our leased office space, indirect vendors enabling us to do our consulting, direct vendors to support our project and field work, and subcontractors, subconsultants, and partners that assist project teams.

As a professional services organization, we specify and design to, but do not directly procure, the materials used in construction of our designed projects.

### Commitments and Practices

Stantec has a centrally managed Corporate Procurement and Real Estate team with on-the-ground representatives in each of our primary geographies. Stantec's Corporate team globally manages real estate leases and indirect procurement needs (such as leased buildings, vehicle fleet, IT hardware and software, telecommunications, furniture, office supplies, technical supplies). As needed, they provide support to project teams for direct procurement (project-specific, directly billed to a client). Our Risk Management team provides project teams support with contracts and prequalifications.

For procurement, we have recently purchased and are in the process of rolling out Oracle's procurement management tool to improve consistency in application of our procurement processes. For real estate, we use CoStar to centrally manage our lease details, including information on building sustainability features. For travel, we use Egencia as our travel management system and have implemented associated green features.

### In Our Operations

Stantec's Procurement team is a key player in Stantec's operational emissions management program with activities that include working with suppliers to provide activity data for our environmental measurements, right sizing our office footprint, overseeing green enhancements in our travel management system, streamlining print management process, and developing and implementing a zero emissions vehicle fleet transition.

This team actively looks for and selects vendors who practice sustainable behaviors within their operations and who offer environmentally friendly and socially responsible products and services. We require that corporate suppliers provide emissions data for the items we purchase from them, provide recycling support for the products they sell us, and work with us to implement staff behavior changes that reduce our impact.

Our Real Estate team facilitates office selection and consolidation. One of our most effective strategies to reduce the footprint of our Company—and therefore use less space and less energy—is consolidating our offices into fewer locations and relocating offices to more resource-efficient buildings. When co-locating or adding space, we use a real estate scorecard to make balanced business decisions, including sustainability considerations.

Our Travel team has implemented green features into our travel management system and actively tracks emissions generated along with spend. The team facilitates the purchase of sustainable aviation fuel.

Stantec's Print Services team oversees our ARC program in North America, which helps us reduce the need for printing (by 40% on average), secure the use of post-consumer recycled paper, minimize the number of print devices needed, and ensure proper e-disposal of printer waste.

Our Fleet team works to mitigate the environmental impacts of our fleet and decrease vehicle emissions. This includes purchase of more fuel-efficient vehicles, and in many locations, hybrid and electric vehicles. The team is in the early stages of developing a zero emissions vehicle fleet transition plan.



## **With Our Supply Chain**

Doing business with suppliers, subcontractors, subconsultants, and partners who share our values limits Stantec's risks and enhances our Company's commitments to the environment and the community.

### Partner Code of Business Conduct

Stantec passes our environmental, social, and governance performance expectations to our partners, who are asked to apply business practices consistent with Stantec's standards. Our [Partner Code of Business Conduct](#)—which covers employment practices, health and safety, environment, human rights, discrimination, anti-bribery, intellectual property, privacy, and more—reduces the potential for problems in our supply chain. The code is available to all partners. We expect high-risk partners to sign this document and participate in due-diligence checks.

### Supplier Diversity

Stantec is committed to doing business with companies of all sizes and backgrounds. Minority, women, small, veteran, and disadvantaged business enterprises are an economic engine of growth. The mission of our Supplier Diversity Program is to develop and sustain long-term relationships with our emerging and existing business partners, to build and maintain mutually beneficial relationships, and to execute quality projects together that meet our client's goals. A diverse supply chain brings energy, entrepreneurial drive, and specialized technical expertise.

Stantec's Supplier Diversity program is geographically based and consists of a small and diverse supplier utilization practice, which includes internal evaluation, reporting and benchmarking, tracking direct and indirect spend, vendor profile registration, development and implementation of strategic teaming partnerships, and outreach and ongoing training for staff and management. We select vendors and subconsultants based on qualifications, capability, performance, and capacity.

Stantec has programs to further inclusion of Indigenous businesses. In Canada, we are pursuing certification with the Canadian Council of Aboriginal Business' [Progressive Aboriginal Relations](#) program. In Australia, we have partnerships with Supply Nation and Kinaway for work with the Aboriginal and Torres Strait Islander business sector.

Stantec has implemented a self-reporting supplier profile inventory on our website to enable subconsultants and suppliers to download a Vendor Certification form requesting business information and socioeconomic certification. This is then submitted to a dedicated email account – [supplierdiversity@stantec.com](mailto:supplierdiversity@stantec.com).

### Sustainability Assessments

For subcontractors, subconsultants, and specialty companies that help us deliver our projects (e.g., drillers, archaeologists, laboratories, surveyors, etc.), Stantec has a series of decentralized, geographically based Subcontractor Management teams that utilize local systems to evaluate whether partners meet our standards. To become prequalified, a partner must complete the Subcontractor Questionnaire (containing ESG requirements related to topics such as diversity, health and safety, and ethics), which is reviewed and scored by Stantec subject matter experts. A company not meeting our minimum criteria is either eliminated from consideration or provided input on how to improve their programs.

Stantec is in the process of evaluating the best way to approach development of a consistent, global sustainable supply chain management program. This would include sustainability-related screenings of our vendors, subcontractors, and subconsultants on topics like emissions management, workforce practices, health and safety, human rights management, ethics practices, and the like.

## **Accountability**

While most of our procurement activities are focused on cost-saving measures, these efforts most often also translate into emissions reductions or resource conservation. Many of our projects have supplier diversity requirements that must be met.

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### **Material Topic / Value Chain Nodes Covered:**

Procurement / Operations, Upstream (Supply Chain)

See all [Stantec Management Approaches](#)